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THE
CHRISTIAN SPIRIT
IN
INDUSTRIAL
RELATIONS

By
John McDowell, D.D.

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The Christian Spirit in Industrial Relations

By
John McDowell, D.D.

*Secretary
Board of Home Missions*

BOARD OF HOME MISSIONS OF THE
PRESBYTERIAN CHURCH
IN THE U. S. A.
156 FIFTH AVENUE, NEW YORK

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CHAPTER ONE

The Christian Dynamic for Industry

NO one who knows the industrial situation will deny that the present hour is big with challenge and opportunity for the churches. The churches are face to face with what may be rightly called the supreme moment in our industrial life. The challenge and opportunity presented by this crisis should be fearlessly and frankly met by all the churches that bear the name of Jesus Christ. Facts are at hand to prove that our age is an industrial age. Our entire life is colored by the demands of industrialism. That industry dictates in education is evidenced in the ever-increasing demands for vocational and industrial education; that it commands in legislation is shown in the rapidly increasing number of bills introduced in our law-making bodies asking for industrial education; that it is insisting on recognition in religion is apparent from the establishment of labor Sunday and from the further fact that the churches of the major denominations have issued statements on the relation of the churches to industry. In fact so far-reaching is the influence of modern industry that it may be said with truth that the fundamental institutions of human society, the home, the school, the state and the Church, are threatened by industrialism with a complete transformation, which will change their character and impair their influence.

Industry is challenging the Church as never before to recognize the seriousness of the moral issues growing out of the industrial processes and the industrial conditions of our time. Representatives of capital and of labor and of public affairs are telling us today that our industrial problems can be solved only through the application of religious principles to industry.

"I am convinced," says David Carnegie, member of the British Industrial War Commission, "that every problem in industry can be solved by applying to it the principles of Jesus Christ."

I believe these principles can best be interpreted and applied by the Church working in harmony with employers and employed."

"Only more religion in the hearts of both employer and wage-worker," says Roger Babson, "will solve the industrial problem."

"We must get back to God's teaching, and we must have brotherly love in our hearts to make our great undertakings go far," said Mr. John J. Walsh, Conciliation Commissioner of the U. S. Department of Labor.

Two years ago the Ohio Valley Trades and Labor Assembly adopted the following resolutions:

"First, Be it hereby resolved that we, the duly elected delegates representing all of the organized crafts of the Wheeling district, do hereby unanimously declare it to be our belief that the teachings of Christ constitute a platform upon which all men can agree.

"Secondly, That we believe they can be applied to modern industrial problems.

"Thirdly, That we will cooperate with those who will join with us in an earnest endeavor to apply His teachings in the Wheeling district.

"Fourthly, As further evidence of our sincerity we have duly appointed a committee of three to confer and decide what methods shall be pursued."

"A solution for the problems of industry is not to be looked for in forms," says W. L. MacKenzie King. "Something more vital is needed. A new spirit alone will suffice. This spirit must substitute faith for fear."

In all the schools of thought and walks of life we find men perplexed and troubled, turning wistful eyes to Christ as though He held the key to the problems which press so heavily on our modern life. Men charged with responsibility for industrial activities, and men in daily toil, are turning from the cheap remedies of shallow talkers to Him who worked at Nazareth, believing that from Him will come the spirit and the teaching which will solve our social and industrial difficulties. Everywhere there are signs of a growing faith that there are in Christ still unexplored regions of teaching and unused outgoings of power which can avail in the complicated problems of our modern world.

If the churches are to be a vital factor in modern life they must make clear the fact that they have a mission in industrial

life and that they have a message for the present industrial unrest, and further they must prosecute their mission and proclaim their message with untiring energy and unflinching earnestness. The churches must not give the truth entrusted to them away from any desire to be on good terms with employers or employees or consumers, nor must they fight with armor that has not been proved. Nevertheless without yielding aught of the word of the Lord which is "forever settled in heaven," they must learn through the understanding of the times how to speak to men of industry. We shall never win for our Master the allegiance of the strong men of this world until we show them that He has the power and the purpose to rule the shop, the factory and the counting house as well as the church and the home. If Christianity has a message for industry, now if ever, it ought to be fearlessly proclaimed by the churches. If in the face of our industrial needs the churches remain dumb prophets, the working world, which is in thorough earnest today, but is still willing to listen, will turn away. If the churches have nothing to say on the mind of Christ at this critical juncture in the world's life when nearly everything is in the melting pot, then they must be silent forever.

To meet this inescapable challenge of industry the churches must offer something more than an industrial program or an industrial creed. Industry is not suffering today from the lack of programs or creeds. Practically every religious body and every commercial and political organization has issued an industrial program or an industrial creed in recent years. If programs and creeds could solve our industrial problems they would have been solved long ago. Industry is suffering today primarily from the lack of an adequate dynamic to drive out of the heart of the individual and the heart of the corporation and the heart of the labor union the devil of self-interest, that power which separates man from man and is the source of most of our present industrial conflicts and disorders. In this hour of imperative challenge the churches must not ask for another leader than Jesus Christ. They must not ask for a new program or a new creed. If they are wise they will listen to their Master,

who summed up all law and all life in one word—LOVE. "Love thy God and love thy neighbor," was Christ's solution for every actual or possible human problem. Jesus Christ trusted love at all times. He believed that love would discern what the industrial problem is; that love would discover and apply the true remedies; that love would know the enemies of mankind; that love would overcome all difficulties.

Experience has confirmed the faith of Jesus Christ in love as a working principle not only for individual life and social life, but for all life. Love is the only thing that makes all things work together for good. Love makes the home work together for good; nothing else will. Love makes the school work together for good; nothing else will. Love makes the church work together for good; nothing else will. Love makes the factory work together for good; nothing else will. Love makes the nation work together for good; nothing else will. Love makes the nations work together for good; nothing else will. Love, and only love, will make industry work together for good; nothing else will. Everything else has failed. Law has failed; education has failed; science has failed; organization has failed; labor unions have failed; employers' associations have failed. In a word, every form of industrial organization based on force or selfishness has failed. Love, and love alone, can solve our industrial problems and usher in a period of industrial peace and prosperity based on industrial justice.

In exalting love and in offering it as the one principle that can solve our industrial problems Christ penetrates the central need of man and of society. Love in the mind of Christ is not a mere maudlin sentiment, no weak acquiescence to popular demand. "Love in Christ's eyes is not childishness nor is it senility," says President Faunce of Brown University. "It is as pure and searching as fire. There are no demands in the universe so stringent as those made by love." Christian love is more than mere sentiment. It is service and suffering for others.

11 The churches should make it clear to all men in industry that Christianity has but one law for all conduct, for the shop, the

store, the factory, the mine, the railroad, the bank, the employers' association, the labor union, and that law is the law of love based on the fatherhood of God and the brotherhood of man. Because God is our Father we must think His thoughts about our brothers and we must share His purpose concerning them. The law of sympathy, of consideration, of helpful love, should be the law of all human association. The deepest and most central fact to be considered in all my relations with my fellow-man, whether he be employer or employee, client or customer, neighbor or stranger, is that he is my brother, that we have a common Father, and that everything, his welfare, his happiness, his honor, his manhood, ought to be as dear to me as my own.

How easily this principle of love, based on the fatherhood of God and the brotherhood of man, applies itself to all of our present problems. Love cannot enslave one's brother; of course not! so slavery comes to a perpetual end. Love cannot exploit the weakness of one's brother; therefore, the traffic in intoxicating liquors comes to a perpetual end. Love cannot exploit little children, and so child-labor comes to a perpetual end. Love cannot overwork one's brother, and so the long day and the long week come to a perpetual end. Love cannot underpay, and so low wages comes to a perpetual end. Love will not cheat and therefore limitation of production comes to a perpetual end. Love cannot over-ride human rights, and hence industrial autocracy both in capital and in labor comes to a perpetual end. Love cannot be selfish, and so self-interest comes to a perpetual end. So, down the whole list of the problems arising out of industry, love has its own instant and final answer to every one of them.

Love will insist that a man's daily work shall be recognized as his divine calling, his creed, his vocation; that the place of the workman in the organic union of both the church and state be fully and gratefully acknowledged; that a living wage be secured for the laborer while he is fit to work, so that he may be able to live a decent and Christian life and have a suitable home; that adequate provision be made for the laborer when he is aged or otherwise unfit to work so that the veterans of labor

may be saved the stigma of pauperism, and that there may be some final court of appeal with adequate compulsory power in connection with all industrial disputes.

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Love will insist that it is impossible not to be concerned with the conditions under which men live and work. Love will demand that a man must do a day's work for a day's pay and that a man should get all he earns and earn all he gets. Love will contend that the fruits of industry must be guaranteed alike to employer, employee and consumer. Love will solve the three greatest problems in industry, —namely, increased efficiency in production, increased equity in distribution, increased satisfaction in work. Love will put no shackles on the American worker whether he works with his hands or with his head or with his heart. It will insist that there is no room in this country for either the tyranny of an employers' association or the tyranny of a labor union or the tyranny of a consumers' association. It will demand that there must be freedom, for the American worker, and for the American employer. Only on such a basis can we have industrial democracy in this land. Love will insist that it must never be forgotten that it is not theories alone which are involved in the industrial situation, but men and women and children; not workshops alone, or statistics or laws, but the home, the church, the nation, humanity; and that however it is done men must be able to make their lives worth living and that the means whereby a decent moral life, a life in harmony with their origin and the standards of Jesus Christ, may be assured. In a word, love will insist that all who are living and able to work shall be able to live by their work. The New Testament makes it clear that the law of love governs the whole of life. It defines our relation to men not only in the home and in the church, but in industry, in commerce and in politics. The Church must insist that no man is soundly converted who fails to understand and obey the law of love. Conversion is something more than a change in religious sentiments. It involves a change in the ruling ideas as well as in the sensibilities. To exalt Christ in the fulness of His Gospel is to meet the world's need of a Saviour from selfishness, which is the taproot of all

individual and collective sin. Commercial expansion demands the brotherhood of nations. Democracy has made the law of love a necessity and Christianity a reality.

The practical question after all facing us today is this: "How shall I treat my brother who is associated with me in industry as my employer, or my employee or my customer?" Let the Rev. J. Henry Jowett, D.D., former pastor of the Fifth Avenue Presbyterian Church, answer for us:

"I find my own problems settled, at any rate in spirit and principle, and settled with great celerity, when I bring them into the light of the everlasting Fatherhood of God. For me, it settles the question as to whether the factory laws should be amended in England. When the light of the Divine Fatherhood fell upon the little children going to their work at five in the morning, for me the question was settled. I had no difficulty with an eight-hour bill for miners when I brought the question to the everlasting Father. The problem of Old Age Pensions for the destitute and honorable poor was speedily disposed of when I let the light of the everlasting Fatherhood shine upon it. The claims of the cotters in the Highlands of Scotland, crushed by the heartlessness of certain landed proprietors, seemed inevitably just when I brought them into the interpreting rays of the everlasting Fatherhood."

When love rules brotherhood will prevail, and where brotherhood prevails weakness becomes a common burden and its service a common privilege. Selfishness asks, "How small wages can be paid and get the work done?" Brotherhood asks, "How large wages can be paid and keep the business in a healthy condition?" Selfishness says, "It is my business to look out for myself." Brotherhood says, "It is my privilege to guard the interest and protect the welfare of others." Selfishness says, "It is my right to buy in the cheapest market." Brotherhood says, "We will wear no garment that has been moist with the blood and tears of the oppressed." Selfishness says, "I must guard my own interest." Brotherhood says, "We will bear one another's burdens and so fulfil the law of Christ."

It is hard to find a better answer than that of Mr. J. S. Mills:

"Always do the loving thing." Then broken chords in the heart of industry will vibrate once more, not by legislation, nor by organization, nor even by education, but by brotherhood that worketh by love.

"Then let us pray that come it may,
As come it will for a' that,
That sense and worth o'er all the earth
May bear the gree and a' that.
For a' that and a' that,
It's coming yet for a' that,
That man to man the world o'er
Shall brothers be for a' that."

CHAPTER TWO

Christian Principles for Industry

In response to the action of the General Assembly at St. Louis in May, 1919, instructing the Board of Home Missions "to make a thorough study of the whole industrial problem and to prepare, based upon such study, an outline of practical, remedial steps, which shall be recommended to both churches and legislative bodies," the Board submitted the following report to the General Assembly at Philadelphia in May, 1920, which was unanimously adopted and ordered printed by the General Assembly for free distribution to the pastors and sessions.

AS a Christian Church, accepting the revelation of God's nature and purpose which He made through Jesus Christ, we hold it to be our duty not only to proclaim to all men what this revelation means for the life of the individual and of society, but also particularly to instruct our own members in the duties which Christian discipleship lays upon them. To this end the General Assembly of 1910, in response to a request from a number of presbyteries, issued a statement "of the thought and purpose of our Church regarding the great moral questions arising out of the industrial and commercial life of the people." Reaffirming this statement, we desire to prefix to it a declaration of our convictions respecting the whole subject with which it is concerned.

I. THE GROUND OF OUR SOCIAL INTEREST

Our persuasion of our right and duty to speak on contemporary social questions grows out of our certainty that God has revealed to us in Jesus Christ not only the way of salvation for the individual, but also an ideal of life which defines the right relations of men to each other. This Christian ideal of social life is formed by these beliefs:

- A. That God is "the father of all men," and that men as His children are potential members of His kingdom.
- B. That God has made men members one of another, bound together in society, and that therefore this society ought to be a brotherhood of love and service.

- C. That God has sent His Son Jesus Christ to be our Saviour from sin and to establish His Kingdom among men.
- D. That God is now and ever at work in the world by His Spirit for the accomplishment of His will.

II. THE GOAL OF OUR SOCIAL EFFORT

Believing thus, we hold that it ought to be our aim to bring these truths to bear upon every relation of life, economic, political, legal, ecclesiastical, social. We know no way of commending the gospel we profess so effectively as action in the spirit of our profession. We cannot but see that much in our present social order is contrary to the mind of Christ and we believe that it is our duty to protest against these unchristian things and, so far as we can, to establish in their place that which is Christian.

III. THE CHRISTIAN METHOD OF SOCIAL PROGRESS

We believe that all true social progress begins where Christ began—with repentance, a change of heart. We would not divorce our social from our individual Gospel, but on the contrary proclaim the need of personal conversion with redoubled energy. We believe that the fundamental vice of our time is not so much any particular thing that we do, as the spirit which animates the doing of it. We proclaim, therefore, as the fundamental need of our time, the substitution of the spirit of love and service for the spirit of greed and selfish competition and call upon our fellow Christians to join with all men of good will of every race and walk of life to permeate industry with the Spirit of Jesus Christ and to advocate such changes in our conduct of industry as shall more perfectly express His spirit. While recognizing that liberty must be exercised under law and that where men differ in social judgments the will of the majority must prevail, we are persuaded that law, however enforced, cannot of itself command the inner assent through which alone the Christian social ideal is realized. We depreciate, therefore, all effort to repress free discussion of social questions, believing that the only way to conquer error is by truth and that

in the Christian Gospel we have a message so adapted to the heart of man that when truly proclaimed it will win acceptance.

IV. CONSEQUENCES FOR THE CHRISTIAN VIEW OF INDUSTRY

What is true of men's relations to society in general is true more particularly of the relations of men to one another in industry. Here also the principle of brotherhood must control. As each industry exists to serve the community so each individual must be regarded as a partner in the enterprise, and the relations of those engaged in it to one another must be characterized by mutual understanding and good will. The acceptance of this ideal will affect (a) the motive of industry, (b) its method, and (c) its spirit.

(a) It will affect its motive, which instead of private gain, will become public service.

(b) It will affect the methods of industry. Since industry, in the Christian ideal of it, is cooperative service, the right of all who take part in it to share according to their ability and education in determining the conditions under which they work is self-evident. Whatever may be true of particular methods of realizing the ideal, the democratic control of industry follows from the democracy inherent in the Christian principle of the brotherhood of man.

(c) Finally, it will affect the spirit of industry, which must be one of mutual confidence and good will. Men may differ in their view of the methods to be followed, but if they are one in spirit, they may differ without danger, and out of a multitude of counsel, sifted by free discussion and tested by experiment, wisdom will in time evolve.

THE SOCIAL CREED

The General Assembly of 1910, as has before been said, made an expression of the mind of the Church regarding social questions, which was published in that year by the Assembly's order, with the title, "What the Presbyterian Church Believes About Social Problems." This utterance was reaffirmed by the General Assembly of 1914. It has recently been republished by the Home Mission Board. This General Assembly, placing itself on the ground thus held by our Church for ten years, reaffirms this action of previous Assemblies, and adds to its declarations on certain subjects regarding which recent and contemporary developments seem to require the Church to speak.

We hold that our Church ought to declare :

1. For the Christian social obligation resting upon every man, for his family, his community, his nation and the whole world.
2. For the Christian obligation to use wealth and power as trusts from God for fellowmen.
3. For the application of Christian principles to the conduct of industrial, agricultural and commercial organizations and relationships. Among these Christian principles are:
 - A. The sacredness of life and the supreme worth of personality, so that a man must always be treated as an end and never as a means.
 - B. The brotherhood of man, demanding for every worker a democratic status in industry, and mutual understanding, good will, cooperation and a common incentive among all engaged in it.
4. For the right and duty to work, since human society cannot endure unless each of its members has the opportunity and feels the obligation to serve the common good to the extent of his ability.
5. For a worthy and just return to every man according to his contribution to the common welfare, and for a social order in which no man shall live on the fruits of another man's labor and no man shall be denied the fruits of his own labor. "The laborer is worthy of his hire." Worthiness of return for honest work is measured today first of all by the standard of "a living wage," by which is meant a wage adequate to maintain the worker and his family in health and honor, and to enable him to dispense with the subsidiary earnings of his children up to the age of sixteen.
6. For the abatement of poverty, some of which is due to vice, idleness or improvidence, but much also to low wages, preventable disease, uncompensated accidents, insufficient education and other conditions for which society is responsible; and the spirit of Christ requires that society shall make provision for adequate education for all, for public health and for the relief of those in want.
7. For the protection of children from exploitation in industry, agriculture or trade and from work that is dwarfing, degrading or morally unwholesome.
8. For such regulation of the conditions of occupation of women as shall secure an adequate living wage and at the same time safeguard their physical and moral health and that of the community and of future generations.
9. For the safeguarding of working people from harmful conditions of labor, dangerous machinery and occupational disease, and for the education of the workers in avoiding hazards in connection with their employment.

10. For the assumption by industry of the burdens entailed by industrial accidents, disease and death, and for the training of injured workers for continued production and self-support.
11. For the release of every worker for rest one day in seven, which, wherever possible, should be the Lord's Day.
12. For the ordering of the hours of labor to secure at once sufficient production and sufficient leisure for the physical, mental and moral well-being of the workers.
13. For the employment of the methods of investigation, conference, conciliation and arbitration in industrial disputes.
14. For the inviolability of agreements, both in letter and in spirit, since good faith is the foundation of social and industrial stability and progress.
15. For the right of wage-earners to organize and to deal, through their chosen representatives, with the management of the industries in which they work, because an adequate representation of all parties (Labor, Capital, Management and the Public) in industry is needed for production and to secure attention for the human factors involved.

RECOMMENDATIONS

We recommend:

1. That the General Assembly urge pastors and churches to study industrial problems in the light of this statement and to cooperate in every effort for the attainment of these ends.
2. That wherever possible the churches encourage mediation in industrial disputes and avail themselves of the opportunities to perform the Christian ministry of reconciliation.
3. That the churches be encouraged to provide a suitable place for the consideration and discussion of industrial and social problems which concern the peace and welfare of the community.
4. That pastors and sessions be urged to use their influence with the public press for a statement and discussion of the Christian conception of industry, its purposes, its motives and its methods.
5. That an effort be made to interest educational institutions—universities, colleges, secondary schools—in the study of industrial problems from the Christian point of view; that the General Board of Education be requested to use its influence with the colleges under its care to include this subject in their curriculum, and that theological seminaries give attention to the preparation of their students to meet the responsibilities which the industrial situation is now laying on the ministry.
6. That each congregation be urged to adopt a constructive program to meet the social needs of the community in full cooperation with other agencies engaged in this service.

7. That the General Assembly urge Christians everywhere to insist that labor is incumbent upon all; that idleness, whether among the rich or poor, is sinful; that it is wrong to take advantage of the necessities of the public, to adulterate goods or to charge exorbitant prices for them; that such industries as can only be carried on by methods which degrade human beings ought not to be carried on at all; that if an institution or an organization is socially harmful no vested interest in it is a valid plea for its maintenance.

8. That this Report be printed by the General Assembly for free distribution to the pastors and sessions; also copies be sent to the religious press of the churches with the request that liberal use of it be made in their columns; and that the Board of Home Missions be directed to incorporate a study of industrial and social problems in its mission schools and study classes.

CHAPTER THREE

The Principles Applied

The studies that follow were prepared by Miss Agnes Campbell of the Research Department of the Federal Council of Churches, and are offered here as typical of the way in which many industrial concerns are trying to apply Christian principles in their organizations.

PILGRIM LAUNDRY

One of the simplest forms of employee representation is that provided through the Joint Committee system of the Pilgrim Laundry. The establishment is comparatively small, employing about three hundred persons, so very little machinery is needed for carrying it out.

The plan has the advantage of providing for both separate meetings of the representatives of the employees through the Factory Committee and joint meetings of the employee representatives and management representatives through the Joint Committee. It is important to have both of these forms of meetings. The separate meetings are needed so that the employees may have the opportunity to discuss freely their own problems and through such discussion with their fellow workers arrive at an understanding of their own needs and responsibilities. The joint meetings are essential so that the management and employees may each have the benefit of the opinions, point of view and experience of the other. In this way misunderstandings can be cleared up and insight gained into the problems that concern each party individually and both jointly.

Action is taken by the Joint Committee on a majority vote of those present. From the composition of the Committee it will be observed that in any given instance, if all the members were present the decision would rest with the management, since only ten of the twenty-eight members are actual employee representatives. The department heads in every plan of this kind are regarded as having a management point of view due to their supervisory duties.

No provision is made for arbitration, a majority vote of the Joint Committee constitutes a final decision.

The plan in operation at the Pilgrim Laundry follows:

Location of plant—Brooklyn, New York.

Character of plant—Laundry.

Number of employees—approximately 300.

I. HISTORY.

A. Factory Committee organized in 1914.

1. Only handled detail at first until Joint Committee was formed.

B. Joint Committee created January, 1919.

II. ORGANIZATION.

A. Factory Committee.

1. Composed of ten members elected by secret ballot at a general election on the basis of one representative from each of the ten departments.

2. Term of office—one year.

3. All employees are entitled to vote.

4. Any employee is eligible for election who has been in the employ of the company for one year.

5. Meets every other Friday.

B. Joint Committee.

1. Composed of 28 members.

a. The ten members of the Factory Committee.

b. The ten heads of departments.

c. Eight members representing the management.

(1) President of the Company.

(2) Four superintendents.

(3) The two executives of the Welfare Department.

(4) The Manager of the Claim Department.

2. Meets twice a month.

a. May be called oftener to consider special business.

3. President of the company presides.

III. POWERS AND DUTIES.

A. Factory Committee.

1. Committee members handle detail in the departments which they represent.

a. Welcome and help new employees.

b. See that rest periods are observed by all.

c. See that equipment, tables, chairs, etc., are adjusted to the height of the worker.

- d. Assist in settling small differences between employees.
2. Act as advisers to their respective departments.
3. Keep closely in touch with opinion in their departments so as to be able to fulfill their functions as representatives on the Joint Committee.

B. Joint Committee.

1. Discusses in detail policies, wages, hours, changes in regulations and all questions of service to customers.
2. A majority vote of those present passes any measure under discussion at any meeting.

IV. ATTITUDE TOWARD TRADE UNIONISM.

- A. The Company expresses no policy, laundry workers not organized.

JAMES MCCREERY AND COMPANY

The John Leitch plan, sometimes called "industrial democracy" which has been established in the McCreery store, is based on the bicameral legislative system in use in the United States Government. It gives the employees an opportunity to discuss the problems of their employment and to present recommendations to the management in legislative form.

There is no provision for joint meetings between the employee representatives and the management. This detracts from the value of any employee representation plan since failure to supply a method for joint deliberation lessens the possibility of reaching a complete understanding of the issues involved. The value of the plan therefore rests almost entirely upon the spirit of the management and of the employees.

The analogy between this form of "industrial democracy" and our form of Government is not consistently carried out because the cabinet is given absolute veto power. In discussing this plan in operation in another plant a report of the New Jersey State Chamber of Commerce says, "The apparent success of the scheme is due to the attitude of the management, as well as the employees, which made the exercise by the management of this wide power unnecessary."*

* "Shop Committees and Industrial Councils," New Jersey State Chamber of Commerce, July, 1919, p. 26.

The plan in operation at McCreery's follows:

Location of Plant—New York City.

Character of Business—Department Store.

Number of Employees—Averages 1,700.

I. HISTORY.

- A. An "Industrial Democracy" was organized during June and July, 1920, by Mr. John Leitch personally, although an employees' representation plan based on the principles outlined in Mr. Leitch's book, *Man to Man*, had been operative since September, 1919.

II. ORGANIZATION.

A. House of Representatives.

1. Composed of 29 members (representation adjusted if necessary every six months) elected by secret ballot from the different floors and those sections which are not specifically located.
 - a. Each floor or section has one representative for every fifty persons as far as it is practicable to do this.
2. Term of office—one year.
 - a. Half the number elected every six months to serve for one year.
3. Elects its own chairman and vice-chairman. Recording secretary acting for both House and Senate appointed by common consent of the chairmen.
4. All employees who have been in the employ of the company for six months or longer are entitled to vote, except department heads, buyers and other persons holding similar or higher positions.
5. Any employee who has been on the payroll for a year or longer, who is twenty-one years of age, and who is an American citizen, is eligible for election except department heads, buyers and other persons holding similar or higher positions.
6. Meetings held once each week.

B. Senate.

1. Composed of 16 members, 9 of whom are buyers elected by secret ballot, the other 7 members being heads of the different branches of the business and holding office by virtue of their positions.
 - a. Number not determined on a proportional basis.
2. Term of office—one year.
 - a. Half of the buyers elected, every six months to serve for one year.
3. Elects its own chairman and vice-chairman. Recording secre-

tary acting for both House and Senate appointed by common consent of the Chairmen.

4. All buyers who have been in the employ of the company for six months are entitled to vote.
5. Any buyer who has been on the payroll for one year, who is an American citizen, and who is twenty-one years of age is eligible for election.
6. Meetings held once each week.

C. Cabinet.

1. Composed of members representing the management appointed by the president of the company.
 - a. At present there are five members, including the president of the company, two vice-presidents, the general manager, and the treasurer.
2. Meetings held on call.

D. Committees.

1. Four standing committees.
 - a. Joint with chairman member of the House of Representatives.
 - (1) Co-operation and Energy.
 - (2) Economy.
 - b. Joint with chairman member of either House.
 - (1) Suggestion.
 - c. Separate for each House except in cases involving a department head and an employee.
 - (1) Justice.

III. POWERS AND DUTIES.

A. House of Representatives.

1. May initiate legislation of any kind.
 - a. Ranging from wages, hours, working conditions, to trivial matters.
2. Must pass on any legislation initiated by the Senate.
3. If the Senate cannot agree with the terms of any Senate measure, a conference committee is appointed to prepare a compromise measure.
4. Before going into effect any measure must be passed in its final form by the House.

B. Senate.

1. May initiate legislation of any kind.
2. Must pass on any legislation initiated by the Senate.
3. If the Senate cannot agree with the terms of any House measure, a conference committee is appointed to prepare a compromise measure.

4. Before going into effect any measure must be passed in its final form by the Senate.

C. Cabinet.

1. May initiate legislation by making a suggestion in a message to the Senate or to the House.
2. Receives all the bills passed by the Senate and House.
3. Has absolute veto power.
 - a. May veto any measure originating in either House.

D. Standing Committees.

1. The Committees have power to investigate and report their findings to their respective bodies on matters coming under their jurisdiction.
2. They can make recommendations and serve in an advisory capacity.

IV. ATTITUDE TOWARD TRADE UNIONISM.

- A. No policy expressed, but retail employees are not organized.

WILLIAM FILENE'S SONS COMPANY

The cooperative plan in operation in the Filene store is a striking contrast to the Leitch plan in the McCreery store. The Filene plan puts the final decision on all matters except business policies in the hands of the employees. Any measure relating to store rules, working conditions "or any other matter except policies of the business" which is vetoed by the management may be passed over that veto by a two-thirds referendum vote of all the employees.

The organization of all employees and officers of the company into the Filene Cooperative Association is an unusual feature in that it makes no distinction between employer and employee, but is based on the principle that they are co-workers.

The employees are granted a voice in the actual management of the business through the provision that four of the eleven members of the Board of Directors shall be employees of the store. They are nominated by the employees and elected by the stockholders. On the Board they have the same power as any of the other members.

No provision is made for joint meetings between the employees or their representatives and the management. This is overcome to a large degree by the practice of having any mem-

ber of the management attend, at the request of the employees, any meeting of the employees and answer any questions they may wish to ask or present the management's viewpoint on any matter under consideration.

Impartial arbitration in the technical sense of the term is not provided for, but an arbitration board is established within the F. C. A. which has power of final decision on matters arising within its jurisdiction. Of particular interest in this connection is the fact that the management as such has no representation on this board, but, if the case of a dismissal is appealed to the board, a decision in favor of the employee constitutes an order on the store manager for reinstatement. A decision in favor of the employee in the case of an appeal regarding a wage reduction is an order for a refund.

The plan in operation at Filene's follows:

Location of plant—Boston, Mass.

Character of plant—Retail Specialty Store.

Number of employees—2,700 to 3,000.

I. HISTORY.

- A. The plan had its inception in 1898 with the establishment of an insurance plan and medical clinic.
- B. Gradually new activities were added and committees were formed to carry them on.
 1. Lectures (later name changed to Education), 1899; Library, 1899; Health, 1899; Suggestions, 1899; Entertainments, 1900; Clubhouse, 1901; Publicity, 1902; Athletics, 1905; Music, 1906; Cooperative Supply, 1912.
- C. Space for club rooms provided in the store by the management since 1901.
- D. Office of Welfare Manager created in 1901 by the management.
 1. This office gradually developed into the Executive Secretaryship of the F. C. A.
 2. The executive staff is now enlarged to include an Assistant Executive Secretary, who also acts as men's counselor and managing editor of the "Echo"; an Assistant who serves as girls' and women's counselor; and an office staff.
- E. Arbitration Board founded 1901.
- F. "Echo," the store paper, founded in 1902.
 1. Originally started as a house organ by the management.
 - a. This arrangement did not prove popular with the employees.

2. Management withdrew and turned the paper over entirely to the employees.
 - a. Members of the management do not see copies of any issue until it is printed and distributed to all.
 - b. Copies are sold and paid advertisements of the store are carried in order to make the paper self-supporting.
- G. F. C. A. Council created as a legislative body in 1905.
- H. Recreational activities increased and clubs formed.
 1. Girls' Club, 1907; Men's Club, 1910; Women's Club, 1912.
- I. Filene Cooperative Association Benefit Society, which administers the new insurance plan, founded 1920.
- J. F. C. A. charter approved by management, council, and employees on referendum vote 1921.

II. ORGANIZATION.

- A. Every employee of the company, including the highest paid officers, is by virtue of employment a member on equal terms of the Filene Cooperative Association.
 1. A self-governing body operating under a charter, constitution and by-laws.
 2. Officers: president, vice-president, secretary and treasurer.
 - a. Elected by popular vote.
 - b. Term of office—one year.
 3. The executive secretary is the administrative head and through the various groups and committees directs the work of the F. C. A.
 - a. Appointed by the president of the F. C. A.
 - b. Appointment must be confirmed by a five-sixths vote of the F. C. A. Council.
 - c. Appointment made annually and the same secretary may be continued or a new one selected.
 - d. Salary paid by the company but the secretary is entirely responsible to the F. C. A.
- B. The F. C. A. Council.
 1. Composed of 23 members.
 - a. Twelve elected representatives, one from each of the twelve sections of the store.
 - b. The president, vice-president, secretary and treasurer of the F. C. A.
 - c. The four employee members of the Board of Directors of the store.
 - d. The presidents of the Men's Club, the Women's Club and the Girls' Club.
 2. Term of office—one year.

3. All employees entitled to vote for the elected members.
 4. Any employee eligible for election.
 5. Meets weekly unless called oftener to consider special business.
- C. Arbitration Board.
1. Composed of twelve elected members, one from each section of the store and a chairman appointed by the president of the F. C. A. from the membership of the Council.
 2. Term of office—one year.
 3. All employees entitled to vote.
 4. Any employee eligible for election who has been in the employ of the company for at least two years.
 5. The management as such has no representation on the Board.
 6. Appeal may be taken by any employee at any time.
- D. Employee members of the Board of Directors.
1. Total membership of the Board of Directors is 11, of this number four are employees.
 - a. The F. C. A. Council nominates by ballot six candidates for positions on the Board of Directors.
 - b. The stockholders elect four of these six nominees to serve on the Board.
 - c. Term of office—one year.
 - d. Any employee is eligible for service on the Board who has been in the employ of the company for at least five years.

III. POWERS AND DUTIES.

A. The Filene Cooperative Association.

1. May initiate new store rules, or modifications or cancellations of existing store rules concerning store discipline, working conditions or relations, or any other matters, except policies of the business; by a two-thirds vote of the entire membership.
2. Such vote shall have full effect within 48 hours, unless vetoed either by the president of the company, the general manager, or any number of the management.
 - a. Any vetoed measure may be submitted to a referendum vote, if a petition requesting such action, signed by 4 per cent of the membership, is presented to the executive secretary.
 - b. Any measure may be passed over any veto by a ballot vote of not less than two-thirds of the entire membership of the F. C. A. provided that
 - (1) Such vote has been preceded by one or more mass meetings at which the question at issue has been discussed.

- (2) Final vote is taken within ten days subsequent to the veto.

B. The F. C. A. Council.

1. Directly responsible to the members of the F. C. A.
2. New store rules, changes in or cancellations of existing regulations may also be initiated by the Council, acting for the whole F. C. A.
 - a. Any measure passed by a five-sixths vote of the Council goes into effect within a week, unless
 - (1) Four per cent of the F. C. A. membership petitions for a referendum.
 - (2) Vetoes by the president, general manager or any member of the management.
 - (a) Such veto may be overruled as above. (III, A, 2, b.)

C. The Arbitration Board.

1. All cases may be submitted to arbitration in which any member of the F. C. A. has reason to question the justice of a decision by or action of
 - a. Anyone in a higher position.
 - b. The corporation.
 - c. An F. C. A. Committee.
 - d. An individual employee.
2. Specific cases coming under jurisdiction of the Board.
 - a. Dismissals.
 - b. Wage reductions.
 - c. Transfers and location in the store.
 - d. Requests for promotion or increase in wages.
 - e. Missing sales, shortages, lost packages, breakages, torn or lost garments.
 - f. Differences between employees.
 - g. Vacation wages.
 - h. Payment of insurance.
 - i. Judgment of the Suggestions Committee.
3. The decision of the Board is final for all cases arising within its jurisdiction.
 - a. Majority vote of the entire Board constitutes a final decision.
 - b. Decisions favorable to the employees in cases of dismissal constitute an order on the store manager for reinstatement.
 - c. In case of wage reductions a decision in favor of the employee is an order for a refund.
4. This Board may have jurisdiction over controversies between executives and the executive authority of the corporation in respect to their employment, or
 - a. Such matters may be arbitrated by a special Arbitration

Committee, one member chosen by the executive, one by the corporation and a third by these two.

(1) A majority decision has full effect.

5. When a case is heard before the Arbitration Board the Executive Secretary acts as counsel for the employee and a representative of the Personnel Department serves as counsel for the management.

D. Employee members of the Board of Directors.

1. Have the same powers and duties as any other members of the Board and have an equal voice in the affairs of management.

IV. ATTITUDE TOWARD TRADE UNIONISM.

A. Company state that they have no objection to their employees organizing.

1. The retail clerks, clerical workers, etc., are not organized.
2. The teamsters, chauffeurs, printers, engineers, carpenters and some employees in the factory are organized.
 - a. The Company maintains working agreements with the unions represented above.

PROCTER AND GAMBLE COMPANY

The structure of the plan established at the plants of the Procter and Gamble Company is comparatively simple. Representation is effected for the whole plant through the Joint Conference Committee. The representatives of the management are not equal in number to the employees' representatives so special proportions are arranged to determine a vote. The Employees' Conference Committee, a unit of the Joint Conference Committee provides for separate meetings of the employees.

There is no provision for arbitration and the line of appeal lies through the Employees' Conference Committee and the Joint Conference Committee to the Committee on Appeals which is composed of the plant superintendent, general superintendent and the president of the company. This places the final decision in the hands of the management.

The employees are given a voice in the determination of business policies and management through membership on the Board of Directors.

The plan in operation at Procter and Gamble follows:

Location of plants—Ivorydale, Ohio; Port Ivory, Staten Island, New York; Kansas City, Mo.

Character of business—Soap manufacture.
Number of employees—Approximately 6,000.

I. HISTORY.

- A. A profit-sharing plan was in existence for several years prior to the establishment of any employee conference plan.
- B. Conference plan was initiated on Profit Sharing Dividend Day Meeting, March, 1918.
 - 1. By Mr. W. C. Procter.
 - 2. "To establish a plan providing for regular conferences between Employees and Management, to foster friendly relations and mutual understanding."
 - 3. Employees asked to select by ballot representatives to a meeting at which the plan would be formulated and adopted.
- C. Preliminary Committee.
 - 1. Held two meetings, April 16 and 18, 1918.
 - 2. Adopted the plan known as the "Employees Conference Plan of the Procter and Gamble Company."
- D. Plan revised September, 1919.

II. ORGANIZATION.

- A. Joint Conference Committee.
 - 1. Employees' Conference Committee.
 - a. In each department one representative is elected by secret ballot for each 50 employees and one is elected in departments having less than 50 employees.
 - b. Term of office—two years.
 - (1) Elections held annually, one-half the representatives change each year.
 - c. Elects chairman and vice-chairman from among its own number.
 - d. All employees who have been in the employ of the company for 60 days prior to the election are entitled to vote.
 - e. Any employee is eligible for election who has been in the employ of the company for one year and who is
 - (1) Of legal age.
 - (2) An American citizen or has taken out his first papers.
 - f. Meetings held monthly separate from the management representatives.
 - 2. Representatives of the management.
 - a. To one-half the number of the employee representatives.
 - b. Appointed by the Company.
 - c. Term of office—one year.

3. Meetings of the employee representatives and management representatives in joint session held monthly.

B. Executive Council.

1. Composed of the chairman and vice-chairman of the Employees' Conference Committee and five other employee representatives appointed by the chairman.
 - a. The selection of these five members must be ratified by a three-fourths vote of all the employee representatives present when the selection is made.
2. Meets on call of the chairman between regular meetings of the Employees' Conference Committee.

C. Committee on Appeals.

1. Composed of the plant superintendent, general superintendent and the president of the company.

D. Employee members of the Board of Directors.

1. The total membership of the Board of Directors is 12, of this number three are employees.
2. The Employees' Conference Committee of each plant nominates five employees.
3. The employee at each plant receiving the highest number of votes at a general election by secret ballot is considered elected to serve on the Board of Directors.
4. Term of office one year.
5. All employees are entitled to vote for members of the Board who have been in the employ of the Company for six months prior to the election, and who are of legal age.
6. Any employee is eligible for election to the Board who has been in the employ of the company for at least three years and who is thirty years of age or over.

III. POWERS AND DUTIES.

A. Joint Conference Committee.

1. Employees' Conference Committee.
 - a. Any matter of interest may be brought up for discussion before the Employees' Conference Committee.
 - b. After any matter which may seem to require adjustment or consideration has first been taken up by the employee concerned with the foreman of the department, if satisfactory settlement is not made, it may be taken up by the Employees' Conference Committee.
 - (1) It must be brought before the Committee by the elected representative of the employee's department.
 - c. If the matter cannot be settled by the Employees' Confer-

ence Committee it may be referred to the Joint Conference Committee.

2. May consider jointly any question of mutual interest to employees and the company, such as wages, hours, working conditions.
3. May take up special cases presented by employees through their representatives.
4. Decisions :
 - a. If two-thirds of the employees' representatives vote in favor of a recommendation and the representatives of the management present approve it, it goes into effect.
 - b. If the representatives of the management do not approve and three-fourths of the employees vote in favor of it, it may be referred to a special committee.
 - (1) The special committees do not have power of decision but make recommendations in writing to the Joint Conference Committee.
 - (2) After a special committee investigates and makes recommendations the matter is again taken up by the Joint Conference Committee.
 - c. Two-thirds of the elected and appointed members of the Joint Committee constitute a quorum and three-fourths of the employee representatives and three-fourths of the management representatives constitute a voting majority.

B. The Executive Council.

1. Considers any matters pertaining to the general interest or welfare of the employees, which should be brought up for preliminary consideration or discussion, prior to or in preparation for the next regular meeting of the Committee.

C. Committee on Appeals.

1. When the Joint Committee cannot arrive at a settlement on any question, it is referred to the Committee on Appeals.
2. This committee submits a ruling on any case presented to it by the Joint Committee within one month from its presentation which is final and binding.

D. Employee members of the Board of Directors.

1. Have the same powers and duties as any other members of the Board and have an equal voice in the affairs of management.

IV. ATTITUDE TOWARD TRADE UNIONISM.

"There shall be no discrimination under this Plan against any employee because of race, sex, political or religious affiliation, or membership in any labor or other organizations." (Quotation from pamph-

let entitled "Revised Plan of the Employees' Conference Committee" issued by the Procter and Gamble Company, p. 3.)

COLORADO FUEL AND IRON COMPANY

The plan worked out in the plants and mines of the Colorado Fuel and Iron Company is one of the earliest ones developed in this country and it is based on industrial study carried on by the Rockefeller Foundation.

It provides for joint meetings of employee and management representatives but not for separate meetings of the employees' representatives. However, separate division meetings of the workers may be called together by the employee representative so that he may know their point of view on any matter which the workers may wish to have taken up with the management or on which the management wishes to consult the workers.

Joint deliberations are arranged for through the General Conferences and through the Joint Committees which are formed on a functional basis. This structure makes an interesting comparison with some of the other plans outlined later in this report which are organized on a departmental or on a craft basis.

The President's Industrial Representative serves as an intermediary between the president and the employees of all divisions and departments. The whole plan is under the jurisdiction of a vice-president of the company who is known as the Industrial Relations Executive.

Impartial arbitration is provided for and several alternatives for selecting the board are presented.

The plan in operation at the Colorado Fuel and Iron Company follows:

Location of plants—Mines in Colorado and Wyoming. Steel Works in Colorado.

Character of business—Coal and iron mines, and steel works.

Number of employees—Under normal conditions between 12,000 and 14,000.

I. HISTORY.

A. Established in October, 1915.

1. After the strike of 1914 a study of industrial relations was made by the Rockefeller Foundation and a plan of represen-

tation for collective bargaining and promotion of welfare was evolved and adopted.

B. This plan has been in continuous operation ever since.

II. ORGANIZATION.

A. Employee Representatives.

1. Plant is divided into ten sections, some of which comprise several different shops.*
 - a. In each section one representative is elected by secret ballot for every 150 employees and at least two are elected should the section have less than 300 employees.
 - b. Term of office—one year.
 - c. All employees who have been in the employ of the company for at least three months, except foremen and salaried employees, are entitled to vote.
 - d. Any employee who is entitled to vote is eligible for election.
 - e. Meetings of the employees of the sections with their representatives may be held in any division on call of the representative.

B. The President's Industrial Representative.

1. Employed by the management to keep in close touch with the various departments.

C. Joint Conference.

1. Composed of
 - a. All the employee representatives.
 - b. An equal number or less of representatives of the company.
2. Are presided over by the president of the company or his representative.
3. Meets once every four months.†

D. Joint Committees.

1. Four joint committees are selected at the first Joint Conference after the election of representatives. They are:
 - a. Industrial Cooperation and Conciliation.
 - b. Safety and Accidents.
 - c. Sanitation, Health and Housing.
 - d. Recreation and Education.
2. Each Committee is composed of**
 - a. Six representatives of the employees, appointed by the em-

* This outline of the organization is for the steel works, that of the mines is similar but instead of the 10 sections the mining properties are divided into five districts. Each mine elects its own representatives.

† Separate joint conferences are held at the steel works and in each of the mining districts. There are two annual meetings, one for the steel works and one for all the mining districts combined.

** In each mining district, four joint committees are elected composed of three representatives of the employees and three representatives of the management.

ployees' representatives at the first Joint Conference of each year at the steel works.

b. Six representatives of the management appointed by the president or his representative.

3. Meet whenever necessary.

E. Arbitration.

1. No permanent board provided for, one selected only when needed.

a. Several alternatives for selection:

(1) A single man selected by both sides, if one can be agreed upon; or

(2) A board of three arbitrators, one to be selected by the employer's representatives on the Joint Committee on Industrial Cooperation and Conciliation, one by the company's representatives on this committee and a third by the two arbitrators thus selected; or

(3) A board appointed by the State Industrial Commission of Colorado; or

(4) The State Industrial Commission itself.

III. POWERS AND DUTIES.

A. Employees' representatives.

1. Act on behalf of the employees in all matters relating to their employment, working conditions, wages and adjustment of grievances.

2. Meetings of all the employees in a section with their representatives may be held any time (when it will not interfere with the conduct of the work).

a. At such meetings recommendations may be made regarding any matter the employees wish their representatives to take up with the company or any matter which the company or a committee has referred to the employees.

b. Copies of the proceedings at these meetings are sent to each of the employee representatives and to the president of the company.

B. President's Industrial Representative.

1. Responds to any request from the employees' representatives for his presence in any subdivision.

2. Visits all divisions frequently without special request and keeps in close touch with them.

3. Confers with the employees or their representatives and the superintendents concerning working conditions and plant regulations.

4. Reports the results of such conferences to the president of the company.
5. Attempts adjustment of any grievance submitted to him by an employee or his representative.

C. Joint Conferences.

1. Held to discuss matters of mutual interest to the employees and the company.
2. Consider suggestions to promote efficiency and increase production, to improve working and living conditions, to enforce discipline and to further friendly relations between the officials of the company and the employees.

D. Joint Committees.

1. Industrial Cooperation and Conciliation.

- a. Considers prevention and settlement of industrial disputes, and terms and conditions of employment.

- b. If no satisfactory settlement of a grievance can be obtained through the Industrial Representative it may be appealed to this committee in the following manner:†

- (1) Within two weeks the employee himself or his representative, in person or in writing, presents the matter to the manager, general manager, or president of the company in consecutive order.

- (2) If no satisfactory adjustment is secured the matter shall be referred by the employee's representative or by the president himself to the Committee on Industrial Cooperation.

- (a) A decision of the majority of the committee is binding on all parties, subject only to arbitration.

- c. Any representative believing himself to be discriminated against for his action as a representative has the same right to appeal to the officers of the company or to the Joint Committee on Industrial Cooperation as any other employee.

- d. If a representative has referred a case of discrimination against himself to the Joint Committee on Industrial Cooperation and has not received satisfaction he can further appeal to the Industrial Commission of the State of Colorado, and, if the latter finds that he was discriminated against, the company must make such reparation as the Commission may deem just.

2. Joint Committee on safety and accidents.

† An official of the company points out that in the actual working of the plan "a case in order to come before the joint committee on industrial co-operation and conciliation, does not necessarily have to be appealed in the manner stated in the outline. In practice there is no limitation on the right of any employee or representative to take before this committee or before any officer of the Company any subject he sees fit."

- a. Considers inspection, prevention of accidents, safeguarding of machinery and dangerous working places, use of explosives, fire protection and first aid.
 - b. Has advisory powers.
 - c. May of its own initiative bring up for discussion at the Joint Conferences any matter relating to the subjects within its jurisdiction.
 - d. May have referred to it for consideration and report to the president or other officers of the company any matter within its jurisdiction.
 - e. May be called into consultation at any time throughout the year with the Advisory Board on Social and Industrial Betterment, the president, the vice-president, known as the industrial relations executive, or any officer of the operating department of the company.
3. Joint Committee on Sanitation, Health and Housing.
- a. Considers health, occupational diseases, tuberculosis, hospitals, physicians, nurses, sanitation, wash and locker rooms, water supply, sewage system, garbage disposal, street cleaning, housing, homes, rents, gardens, fencing, etc.
 - b. Has advisory powers.
 - c. May of its own initiative bring up for discussion at the Joint Conferences any matter relating to the subjects within its jurisdiction.
 - d. May have referred to it for consideration and report of the president or other officers of the company any matter within its jurisdiction.
 - e. May be called into consultation at any time throughout the year with the Advisory Board on Social and Industrial Betterment, the president, the vice-president, known as the industrial relations executive, or any officer of the operating department of the company.
4. Joint Committee on Recreation and Education.
- a. Considers social centers, halls, playgrounds, entertainments, moving pictures, athletics, competitions, field days, holidays, schools, libraries, classes for foreign speaking men, technical education, manual training, health lectures, churches and Sunday-schools, cooperation with Y. M. C. A. activities.
 - b. Has advisory powers.
 - c. May of its own initiative bring up for discussion at the Joint Conferences any matter relating to the subjects within its jurisdiction.
 - d. May have referred to it for consideration and report to the president, or other officers of the company any matter within its jurisdiction.

- e. May be called into consultation at any time throughout the year with the Advisory Board on Social and Industrial Betterment, the president, the vice-president, known as the industrial relations executive, or any officer of the operating department of the company.

E. Arbitration.

1. If the Joint Committee on Industrial Cooperation and Conciliation does not agree, the matter may be referred to arbitration.
2. The result of arbitration is final and binding on all parties.

IV. ATTITUDE TOWARD TRADE UNIONISM.

There is to be no discrimination because of union or non-union membership.

GENERAL ELECTRIC COMPANY—LYNN WORKS

The plan in operation at the Lynn Works of the General Electric Company is of the so-called National War Labor Board type. It was established during the war as a result of an award of the Board and was worked out with the assistance of one of the War Labor Board examiners.

In the organization of this plan joint meetings are provided both on a departmental and a function basis. The Joint Shop Committees are selected for each shop, while the General Joint Committees follow functional lines, as adjustment, procedure, etc.

Separate meetings of the employees' representatives are provided for in each section where they constitute a Committee on Fair Dealing. However, no provision is made for separate meetings of all the employee representatives of the works.

Impartial arbitration is not provided for and all final decisions rest with the management, for any matter which the representatives of the employees and the management are unable to adjust through the Joint Shop Committees is referred to the manager, with all the papers and recommendations involved, for his settlement.

The plan in operation at the Lynn Works follows:

Location—Lynn (Mass.) Two plants.

1. River Works.
2. Federal Street Works.

Character of business—Manufacture of electrical and steam machinery.

Number of employees—13,000.

I. HISTORY.

- A. The plan was established under an award of the National War Labor Board, October 24, 1918.

II. ORGANIZATION.

A. Employees' representatives.

1. Works divided into sections, each containing as nearly as practicable 200 employees.
2. In each section two representatives elected by secret ballot by and from the employees in the section.
 - a. Elections held semi-annually.
 - b. One-half the number of representatives chosen at each election.
3. Term of office—one year.
 - a. Any representative may be recalled on written request of two-thirds of the employees qualified to vote in the section in which he has been elected.
4. All employees who have been in the continuous employ of the Lynn Works for three months, except foremen, assistant foremen and leading hands are entitled to vote.
5. Any employee to be eligible for election must:
 - a. Have been in the continuous employ of the Lynn Works for the full year immediately preceding the election.
 - b. Be an American citizen or have taken out first papers.
 - c. Be able to read and write the English language.
 - d. Be 18 years of age or over, if employed in the apprentice department.
 - e. Be 21 years of age or over, if employed in other departments.
 - f. Not be a foreman, assistant foreman, or leading hand.
6. The employees' representatives of each section constitute a Committee on Fair Dealing.
 - a. Meetings held whenever necessary.

B. Joint Shop Committees.

1. The sections of 200 employees (as provided in A, 1) are grouped into shops representing groups of similar or allied manufactures.
2. The Joint Shop Committee for each shop is composed of:
 - a. Three members chosen by all the elected representatives of the shop from among their own number at a meeting held as soon as possible after the announcement of the results of the general election of representatives.
 - b. Three members appointed by the management.
3. Term of office—one year.

4. The management appointees must meet the same requirements for eligibility as employee members except that they may be foremen, assistant foremen or leading hands but must not be selected from among those eligible to vote for employee representatives.
 5. Meetings held weekly.
- C. General Joint Committees:
1. General Joint Committee on Adjustment.
 - a. Composed of:
 - (1) Three members appointed by the elected representatives of the River Works at a meeting held immediately after the announcement of the results of the general election of representatives.
 - (2) One member appointed in like manner by the elected representatives of the Federal Street Works.
 - (3) Four members appointed by the management.
 - b. Term of office—one year.
 - c. The employee members of this Committee may be chosen by the representatives from among their own number or from the employees at large.
 - (1) If an employee is elected to serve on this committee who is not a duly elected representative, he must possess all the qualifications for eligibility as a representative.
 - (2) If an elected representative is chosen to serve on this committee, his office as representative is declared vacant and a new election is held to fill his place.
 - d. Meetings held twice each week.
 2. General Joint Committees on:

Routine, Procedure and Elections;
 Rehabilitation of Disabled Soldiers or Sailors;
 Public Meetings Within the Plant;
 Works Paper (Advisory);
 Fuel and Other Economies.

 - a. Each composed of:
 - (1) Two members appointed by the elected representatives of the River Works from among their own number at a meeting held immediately after the announcement of the results of the general election of representatives.
 - (2) One member appointed in like manner, by and from the elected representatives of the Federal Street Works.
 - (3) Three members appointed by the management.
 - b. Term of office—one year.
 - c. Representatives may serve on one General Joint Committee only and no Shop Committeeman may sit on a General Committee.

d. Meetings held whenever necessary.

3. General Joint Committees on: Safety, Sports, Athletics, and Amusements.

a. Each composed of:

(1) Three members appointed by the elected representatives of the River Works at a meeting held immediately after the announcement of the results of the general election of representatives.

(2) Two members appointed in like manner by the elected representatives of the Federal Street Works.

(3) Five members appointed by the management.

b. Term of office—one year.

c. The employee members of this committee may be chosen by the representatives from among their own number or from the employees at large.

(1) If an employee is elected to serve on this committee who is not a duly elected representative, he must possess all the qualifications for eligibility as a representative.

(2) If an elected representative is chosen to serve on one of these committees, his office as representative is declared vacant and a new election is held to fill his place.

d. Meetings held whenever necessary.

D. Manager's Representative:

1. An industrial representative is appointed by the manager.

III. POWERS AND DUTIES.

A. Employee Representatives:

1. Committee on Fair Dealing cooperates with the management to foster just and harmonious relations between the management and employees in their section.

2. Any matter requiring adjustment may in the first instance be referred by the employee affected, either personally or with one or both of the representatives of his section, to the foreman of the work on which the employee is engaged.

B. Joint Shop Committee:

1. If the foreman fails to adjust satisfactorily any matter referred to him, it is then put in writing and taken up by the Joint Shop Committee.

2. It is the duty of this Committee to endeavor to reach a final settlement.

a. In order to do this witnesses may be called by either side, so that all the facts may be ascertained.

3. If the Committee reaches a majority decision* satisfactory to the employee originating the matter it is considered settled.
4. If the Committee reaches a unanimous decision† this decision is regarded as terminating the matter.
5. If the Committee fails to adjust satisfactorily any matter referred to it, the matter is, at the written request of the employee, filed with the secretary of the Committee within ten days of his notification of such disagreement, referred with all papers and recommendations to the manufacturing engineer or departmental head.
 - a. The findings of the manufacturing engineer and all papers must be returned to the Joint Shop Committee for further consideration.
 - b. If the Committee then reaches a majority decision* satisfactory to the employee or a unanimous decision† the matter is terminated.

C. General Joint Committees :

1. General Joint Committee on Adjustment.
 - a. If after consideration of the findings of the manufacturing engineer or department head, the Joint Shop Committee fails to adjust any matter referred back to it, the matter is, at the written request of the employee, filed with the secretary within ten days of his notification of such disagreement, referred with all papers and recommendations to the General Joint Committee on Adjustment.
 - b. If the General Joint Committee on Adjustment reaches a majority decision* satisfactory to the employee, or a unanimous decision† the matter is terminated.
 - c. If the General Joint Committee fails to make a satisfactory adjustment, the matter is, at the written request of the employee, filed with the secretary within ten days of notification of such disagreement, referred with all papers and recommendations to the manager.
2. General Joint Committee on Routine, Procedure and Elections.
 - a. Has charge of all matters relating to the dates and hours of meetings of all Joint Committees; the regulation of their procedure but not of the action taken by them.
 - b. Has charge of the routine of procedure in matters requiring adjustment.
 - c. Has charge of all matters relating to elections, including all controversies concerning the fairness of an election.

* "A majority decision shall be the decision of the majority of the Committee members present and entitled to vote."

† "A unanimous decision shall be the decision of all Committee members present and entitled to vote."

3. General Joint Committees on:

Rehabilitation of Disabled Soldiers or Sailors;
Public Meetings Within the Plant;
Works Paper (Advisory);
Fuel and Other Economies;
Safety;
Sports, Athletics and Amusements.

a. Handle detail as indicated by their titles.

D. Manager's Representative:

1. His duty is "to facilitate close relationship between the Management and the Representatives."
2. At any stage in the program of proceedings the Manager's Representative may be called in for conference.
3. He may attend any meeting but has no vote.

IV. ATTITUDE TOWARD TRADE UNIONISM.

"There shall be no discrimination either on the part of the employees or the Management, in respect to race, creed, society, fraternity or union."

INTERNATIONAL HARVESTER COMPANY

The Harvester plan is developed on a works council basis and joint deliberations take place between the representatives of the management and of the employees of the entire plant. There are no departmental or functional groups.

The formation and function of the General Council, which is a temporary body, is of interest as an effort to unify the conditions at the various plants of the company and coordinate their activities. Representation in this body is by plants, only such plants participating as are concerned in the special business which caused the formation of the Council.

No provision is made for regular separate meetings of the employees' representatives. They may, however, withdraw from a regular meeting of the Works Council for private discussion of the matter under consideration by the Council.

In this plan the function of the Management Representative, found in the Colorado Fuel and Iron Company's plan and also in that of the Lynn General Electric, is performed in a different way by the Department of Industrial Relations.

Impartial arbitration is provided for but the direct line of appeal is first to the president of the company and a matter may

be submitted to arbitration only on the mutual agreement of the president and a majority of the employee representatives of a Works Council, or of the employee representatives and the management representatives on the General Council, if a vote of the General Council is a tie.

The plan in operation at the Harvester Company follows:

Location of plants—Illinois, Wisconsin, Ohio, New York, Tennessee, Indiana, Minnesota, Kentucky, Missouri, and Canada.

Central offices—Chicago, Ill.

Character of business—Manufacture of farm machinery, twine; coal and iron mines, saw mills, etc.

Number of employees—32,500.

I. HISTORY.

A. On March 10, 1919, the president of the company sent out a letter, addressed to the employees of the twenty plants of the company proposing the establishment of an employee representation plan.

1. The full text of the proposed Harvester Industrial Council plan accompanied the letter.

B. The plan was submitted to a vote of the employees, and was adopted March 12, 1919, by 17 plants, in three it was rejected.

1. The management posted a notice in each of the plants which rejected the plan, stating that no further action would be taken unless requested by the employees.

2. In a few weeks the employees at two of the plants which rejected the plan petitioned to have it resubmitted to them, and adopted it.

3. In the third plant, the McCormick Works, the plan was resubmitted and adopted on May 11, 1921.

C. On December 10, 1919, and February 5, 1920, two of the company's industrial railroads adopted the plan, with suitable modifications.

D. On February 5, 1920, the plan was adopted by the Deering Rolling Mill, which had been shut down on account of fire at the time of the original submission.

E. Four plants have been acquired since the plan was submitted and it is not in operation at them.†

II. ORGANIZATION.

A. Works Council organized at each plant.

1. Employee Representatives.

† These four plants are Chattanooga Plow Works, P. & O. Works, Richmond Works, and Springfield Spring Works.

- a. For the purpose of electing employee representatives so that each department and craft may have fair representation, each works is divided into voting divisions.
- b. Representatives are elected by secret ballot on the basis of one for each 200-300 employees, but in no works are there to be less than five employee representatives.
- c. Term of office—one year.
 - (1) Elections held semi-annually, one-half the representatives change at each election.
 - (2) Any representative may be recalled in the following manner:
 - (a) If a petition is filed with the chairman of the Works Council, signed by not less than one-third of the employees of a voting division, a special election is held.
 - (b) If a majority of the employees of the division vote in favor of the recall of their representative, then his term of office terminates at once, if not he continues in office.
- d. Employees may elect, or employee representatives may appoint, deputy representatives to assist them, subject to the approval of the Works Council.
- e. All employees entitled to vote except foremen, assistant foremen, and other employees having power of employment or discharge.
- f. Any employee is eligible for election who has been in the continuous employ of the works for the full year immediately preceding the election and who is:
 - (1) An American citizen.
 - (2) Twenty-one years of age or over.
 - (3) Not a foreman, assistant foreman, or other employee having the power of employment or discharge.
2. Management Representatives.
 - a. As soon as the employee representatives are elected the management appoints management representatives not to exceed in number to the employee representatives.
3. Chairman of the Works Council is the Manager of the Department of Industrial Relations or someone designated by him.
 - a. Vice-chairman is elected at each works by the Works Council.
4. Secretary of the Council is appointed by the superintendent of the works.
5. Meetings of the Works Council are held once each month at times fixed by the Council.

- a. Neither the chairman nor secretary has a vote.
- b. Special meetings may be called on three days' written notice by the chairman, secretary, or any three members.
- c. A majority of the employee representatives, together with a majority of the management representatives constitute a quorum and no business can be transacted without a quorum.

B. General Council.

- 1. Not a permanent body but formed when its services are needed.
- 2. The General Council is formed in the following manner :
 - a. The President issues a notice designating the several works jointly interested.
 - b. The employee representatives in the Works Council at each of the works designated select two or more of their own number to serve on the General Council.
 - (1) Number determined on the basis of one for each 1,000 employees or major fraction thereof, but no works shall have less than two representatives.
 - c. The management representatives in the General Council are appointed by the president, not to exceed in number the employee representatives.
 - d. The president or some person designated by him acts as chairman, without vote.
 - e. The first meeting of the General Council must be held within ten days after the president's notice calling such a Council.

C. Department of Industrial Relations.

- 1. Established by the Company.

D. Arbitration.

- 1. One impartial arbitrator selected mutually by the president of the company and the employee representatives in the General Council, or Works Council.
- 2. If one arbitrator cannot be agreed upon, then the employee representatives choose one arbitrator and the president another.
- 3. If the two arbitrators so chosen do not agree they select a third.

III. POWERS AND DUTIES.

A. Works Council.

- 1. May consider and make recommendations on all questions relating to working conditions, protection of health, safety, wages,* hours, recreation, education and other similar matters of mutual interest to the employees and the management.
- 2. May on its own motion investigate matters of mutual interest

* "Decisions affecting wages made by any* Works Council or General Council or by Arbitration shall be subject to revision whenever changed conditions justify, but not oftener than at intervals of six months." Harvester Industrial Council, March 10, 1919, p. 21.

- and make recommendations thereon to the works management.
3. The management may refer matters to the Works Council for investigation and report.
 4. May confer with the superintendent or other person designated by him in regard to all matters of mutual interest.
 5. Receives from the management regular reports in regard to accident prevention, sanitation, restaurants, medical service, employment, educational programs and recreational activities, including information as to the cost, efficiency and results obtained.
 6. May appoint subcommittees as it deems desirable.
 7. Is concerned solely with shaping the policies of the company relating to the matters heretofore mentioned. When the policy of the company has been settled, its execution remains with the management, but the manner of that execution may at any time be a subject for the consideration of the Works Council.
 8. An employee may bring a matter before the Works Council in the following manner:
 - a. Matter may be presented to the secretary of the Council either by the employee in person or through his representative.
 - b. The secretary sees that it is presented to the Superintendent.
 - c. If it is not settled in this way the secretary submits it in writing to each member of the Works Council at least three days before the next regular meeting.
 - d. Any employee or group of employees thus presenting any matter to the Works Council has the privilege of appearing before it to present the case.
 - e. The Council may call any employee before it to give information on the subject under consideration.
 - f. After investigation and discussion a secret vote is taken. The employee representatives and management representatives vote separately.
 - (1) The vote of the majority of the employee representatives is recorded as the vote of all and the vote of the management representatives is recorded in like manner.
 9. Every representative serving on any Works Council or General Council is to be wholly free in the performance of his duties as such, and must not be discriminated against on account of any action taken by him in good faith in his representative capacity.
 - a. To guarantee to each representative his independence he has the right to appeal directly to the president for relief from any alleged discrimination against him.

- b. If the decision of the president is not satisfactory to him then he may have the question settled by an arbitrator selected by mutual agreement.
10. Both employee representatives and management representatives have the right to withdraw temporarily from any meeting of the Works Council for private discussion of any matter under consideration.
11. When the Works Council reaches an agreement on any matter its recommendation is referred to the superintendent for execution.
12. In case of a tie vote the discussion is re-opened and a substitute or compromise recommendation is offered and voted upon in the same manner as above.
 - a. If the vote still remains a tie the matter is referred to the president of the company.
13. If the superintendent considers a recommendation of such importance as to require the attention of the general officers, he immediately refers it to the president of the company.
 - a. The president may approve and order its immediate execution by the superintendent.
 - b. Or he may open the matter for further consideration in the Works Council and confer with them.
 - c. Within ten days after a matter has been referred to the president he must either propose a settlement or refer it to the General Council.
 - d. If the settlement he proposes is not satisfactory to a majority of the employee representatives and, if after a further period of five days no agreement is reached, the president may refer the matter to the General Council.
 - e. If the president does not refer the matter to the General Council or if the vote of the General Council is a tie, the matter may, by the mutual agreement of the president and a majority of the employee representatives be submitted to arbitration.

B. The General Council.

1. Whenever in the opinion of the president any matter coming before any Works Council affects other works of the company, or whenever he desires to refer any matter as previously provided, he may call a General Council and thereafter the Works Council shall take no further action.
2. The whole matter is then taken up by the General Council.
3. The General Council whenever necessary may take a recess in order to allow the employee representatives therein to confer with the other members of their own Works Councils.

4. If the General Council is unable to reach an agreement as to any matter it may, by mutual agreement of a majority of both the employee representatives and the management representatives be submitted to arbitration.
5. All decisions of any General Council are binding on all the works originally designated by the president as being jointly interested.
 - a. Any such decision may be retroactive.

C. Department of Industrial Relations.

1. To aid in carrying out the Harvester Industrial Council plan this Department "is charged with the duty of giving special attention to all matters pertaining to labor policies and the well-being of the employees."

D. Arbitration.

1. A matter may be submitted to arbitration only on mutual consent, except in the case of an employee representative who appeals to the president of the company because of discrimination against him on account of his action as an employee representative, and is not satisfied with the latter's disposition of the appeal.
2. All decisions of the arbitrator or arbitrators are binding on all the works originally designated by the president as being jointly concerned.

IV. ATTITUDE TOWARD TRADE UNIONISM.

"There shall be no discrimination under this plan against any employee, because of race, sex, political or religious affiliation or membership in any labor or other organization."

DENNISON MANUFACTURING COMPANY

The General Works Committee at the Dennison Manufacturing Company, and its Central Committee are composed only of employee representatives. This is an unusual form of organization and makes an interesting comparison with the organization, powers and duties of the Works Council of the International Harvester Company which has just been analyzed. The Dennison plan gives unusual opportunity for separate meetings of the employee representatives and gives them a large margin

of independence in initiating recommendations and considering their problems.

Joint deliberations are provided for only on a functional basis through the Conference Committee.

Before any recommendation can go into effect it must be approved both by the Works Committee and the Management.

The plan in operation at Dennison's follows :

Location of plant—Framingham, Massachusetts.

Character of business—Manufacture of paper products.

Number of employees—Approximately 2,500.

I. HISTORY.

A. The formation of a Works Committee was first discussed at a mass meeting of employees, July, 1919.

1. It was voted that a committee to draw up recommendations for such a plan be elected by popular vote from all the departments of the factory.

B. Recommendations of this committee were submitted to a mass meeting in September, 1919.

1. These recommendations included a Constitution and By-Laws, worked out by the employees themselves.

2. The recommendations were adopted by the meeting and approved by the management.

C. A few subsequent amendments have been adopted.

II. ORGANIZATION.

A. General Works Committee.

1. Composed of 61 departmental representatives elected by secret ballot from the various departments of the plant.

2. Term of office—one year.

a. A departmental representative may be recalled by a written petition signed by two-thirds of the qualified voters of the department he represents.

b. Any representative who leaves the employ of the company or who is disqualified by promotion is automatically retired.

c. All vacancies are filled by a special election.

3. Elects a chairman, vice-chairman and secretary from its own membership.

4. All employees who are eighteen years of age or over and who have been continuously in the employ of the company for three months prior to the election are entitled to vote, except foremen, assistant foremen, chief clerks or other persons in similar or higher positions.

5. Any employee is eligible for election who has had one year's aggregate service with the company in the fifteen months prior to the election and who is:
 - a. Twenty-one years of age or over.
 - b. A citizen of the United States or has taken out first papers.
 - c. Able to fill out his employment card himself.
 - d. Not a foreman, assistant foreman, chief clerk or other person in similar or higher positions.
 6. Meetings held first and third week of every month—oftener on call of chairman.
 - a. No representative of the management attends these meetings.
- B. Central Committee of the General Works Committee.
1. Composed of twelve divisional representatives elected by the General Works Committee from among its own number at its first regular meeting each year.
 2. Term of office—one year.
 - a. A divisional representative may be recalled by a two-thirds vote of the General Works Committee.
 3. Elects a chairman, vice-chairman, and secretary from its own membership.
 4. Meetings held only when necessary—on call of chairman.
- C. Conference Committees.
1. Composed of from two to six members, one-half of whom are designated by the management and one-half by the General Works Committee.
 2. There are eight standing Conference Committees, as follows:
 - a. Committee on Procedure.
 - b. Committee on Publicity and Education.
 - c. Committee on Hours, Wages and Promotions.
 - d. Committee on Buildings and Facilities.
 - e. Committee on Housing.
 - f. Committee on Unemployment.
 - g. Committee on Cooperative Buying.
 - h. Committee on Health and Safety.
 3. Special Conference Committees.
 - a. Each Special Conference Committee consists of from two to six members, one-half appointed by the representatives of the management and one-half by the representatives of the Works Committee, or the Committee on Procedure.
 - b. In no case are the appointments announced until they have been brought up for the discussion of the full Committee on Procedure.

III. POWERS AND DUTIES.

A. General Works Committee.

1. Departmental representatives of which the Committee is composed are charged with the duty of keeping constantly in touch with the opinions and conditions of the employees of their departments and of representing them on the General Works Committee.
 2. It is the duty of the departmental representatives to represent any individual employee in the settlement of a grievance in the following manner:
 - a. The employee takes up his grievance first with his foreman.
 - b. If he does not receive satisfaction in this way within 24 hours, he may report the matter to his departmental representative.
 - c. The Departmental Representative takes down the facts in writing and the employee signs the document.
 - d. The departmental representative then interviews the foreman or department head.
 - e. If the matter is not adjusted in this way within three days it is referred to the divisional representative.
 - f. If a satisfactory agreement is not reached within five days, the divisional representative brings the subject before the Central Committee.
 3. The Committee as a whole discusses all factory problems, regulations and conditions, and prepares recommendations to the management of the policies which it believes will increase the general welfare of the employees or the company.
 - a. Recommendations are transmitted through a Conference Committee as hereinafter provided.
 4. Any recommendation approved by both the General Works Committee and the management is put into effect.
 - a. If it is not approved by both, it is sent back to the proper Conference Committees for reconsideration and revision.
- B. Central Committee.
1. The divisional representatives of which the Committee is composed are charged with the duty of keeping constantly in touch with the opinions and conditions of the employees in their divisions and of representing them on the Central Committee.
 2. If the departmental representative is unable to settle satisfactorily with the foreman any grievance submitted to him, the matter is placed in the hands of the divisional representative, who then confers with the division superintendent.
 3. If the matter is not adjusted, through the divisional representative, it is referred to the whole Central Committee, which

- goes into the entire controversy and represents the employee or group of employees in the final appeal of a grievance.
4. If no adjustment is then affected, the question is submitted to arbitration to be arranged by the Central Committee and the management.
 - a. A grievance that has once been adjusted by the Central Committee, however, cannot be reopened except at the request of the General Works Committee.
 5. Every departmental or divisional representative is to be entirely free in the performance of his duties as such, and must not be discriminated against by the management on account of any action taken by him in good faith in his representative capacity.
 - a. If any representative feels that his independence is being abridged, he has the right to appeal to the Central Committee to take up with the management the removal of the discrimination.
 6. In the event of a discharge any employee may follow the same line of action as in the case of a grievance.
 7. A group grievance is settled as an individual grievance, if possible, or it may be brought up by the proper departmental or divisional representative and appealed directly to the Central Committee.
 8. The Central Committee is empowered to take action to promote matters brought up by the General Works Committee and to facilitate the settlement of grievances.
 9. The action of the Central Committee on all problems and grievances is, so far as possible, based upon the suggestions and recommendations of the General Works Committee.
 10. Except in regard to grievances, no action of the Central Committee is effective unless authorized or ratified by the General Works Committee.
- C. Conference Committees.
1. Committee on Procedure.
 - a. Whenever the management or the General Works Committee has prepared a recommendation for the consideration of the other, the recommendation must first be sent to the Committee on Procedure.
 - (1) The Committee takes no direct action but determines whether the recommendation is of sufficient importance to be referred to a Conference Committee.
 - (2) If so, it forwards the recommendation directly to the appropriate Conference Committee.
 - (3) If the recommendation does not come within the scope

of any one of the Standing Conference Committees, the Committee on Procedure creates a special committee to deal with the question.

- (4) If the Committee on Procedure decides that it is unnecessary to refer a recommendation to a Conference Committee, it forwards the recommendation without amendment directly to the Works Committee or to the management as the case requires.

2. Other Conference Committees.

- a. It is the duty of every Conference Committee, standing or special, to discuss, investigate and in its discretion, revise or add to all recommendations submitted to it.
- b. Through the Committee on Procedure each Conference Committee reports its action and conclusions or any new recommendations, to the works manager for the consideration of the management, and to the secretary of the General Works Committee for the consideration of the Committee.
- c. No action or conclusion of any Conference Committee, except the action of the Committee on Procedure in creating special Conference Committees, is binding unless and until it is expressly authorized or ratified by both the management and by the General Works Committee.
- d. Each Conference Committee is the means of contact between the General Works Committee and the management in its special field.

IV. ATTITUDE TOWARD TRADE UNIONISM.

"In Works Committee elections and transactions there shall be no discrimination against any employee because of race, sex, political or religious affiliations, or membership in any labor union."

"This plan shall not interfere with existing agreements between trade organizations and the company, nor shall it abridge the right of any such organization to deal directly with the company."

(From pamphlet entitled "Dennison Employees' Cooperative Plan," 1920, p. 12.)

PHILADELPHIA RAPID TRANSIT COMPANY

The amended plan now in operation in the Philadelphia Rapid Transit Company, like that of the Lynn General Electric, is generally classified as of the National War Labor Board type. However, the Philadelphia plan differs from the Lynn in that it provides for joint deliberations built up on a departmental basis only and a General Committee composed of representatives of all the departments. Functional committees do not

exist. This plan is a clear cut example of the departmental form of organization.

The plan provides for separate meetings of the employees' representatives on a departmental basis through the Employees' Branch Committees and the Employees' Department Committees and also for the plant as a whole through the Employees' General Committee.

Impartial arbitration is provided for and any controversy considered by the Joint General Committee which is not satisfactorily adjusted is automatically submitted to arbitration. It is not necessary to secure mutual consent of the parties involved.

The plan in operation in the Philadelphia Rapid Transit Company follows:

Location—Philadelphia, Pa.

Character of business—City street railway service.

Number of employees—Approximately 10,000.

I. HISTORY.

- A. At the end of the year 1910 the company was practically bankrupt in cash and had lost the confidence of its employees and the public.
- B. During the early months of 1911 new management secured the cooperation of the employees in an effort to increase efficiency.
 1. The Co-operative Welfare Association was formed.
- C. In November, 1918, the plan was amended to provide collective bargaining features.

II. ORGANIZATION.

A. Branch Committees.

1. Employees' Branch Committee.

- a. Composed of two representatives elected by secret ballot by the employees of each station or division.
- b. Term of office—one year.
- c. All employees who have been in the employ of the company for 6 months and who do not occupy any official position of any character are entitled to vote.
- d. Any employee eligible for election who has been in the continuous employ of the company for not less than two years.
- e. Meet with employees of their branch at least once every three months.

2. Employers' Branch Committee.

- a. Composed of two representatives appointed by the management.
 - b. Term of office—one year.
 - c. Meets on call.
 3. Joint Branch Committee.
 - a. The Employees' Branch Committee and the Employers' Branch Committee meeting together form the Joint Branch Committee.
- B. Department Committees.
1. Employees' Department Committee.
 - a. Composed of all the employee branch committeemen of each branch, in the department.
 - b. Term of office—one year.
 - c. Elects a chairman from its own membership.
 - d. Regular meetings held every other month—or oftener if necessary.
 2. Employers' Department Committee.
 - a. Composed of as many representatives as the Employees' Department Committee.
 - b. Representatives appointed by the management.
 - c. Term of office—one year.
 - d. Meets every other month—or oftener if necessary.
 3. Joint Department Committee.
 - a. The Employees' Department Committee and the Employers' Department Committee meeting together form the Joint Department Committee.
- C. General Committees.
1. Employees' General Committee.
 - a. Composed of two representatives from each of the Employees' Department Committees.
 - b. Representatives elected by the members of each Employees' Department Committee.
 - c. Elects a chairman from its own membership.
 - d. Has a secretary appointed by the President of the Company.
 - (1) Secretary has no vote.
 - (2) Same secretary serves both General Committees and may also serve both Department Committees.
 - e. Term of office—one year.
 - f. Meetings held once each month—or oftener if necessary.
 2. Employers' General Committee.
 - a. Composed of representatives equal in number to the Employees' General Committee.
 - b. Representatives appointed by the President of the Company.
 - c. Elects a chairman from its own membership.

- d. Has a secretary appointed by the President of the Company who is also secretary for the Employees' General Committee. (See 1, d, above.)
- e. Term of office—one year.
- f. Meetings held once a month—or oftener if necessary.
- 3. Joint General Committee.
 - a. The Employees' General Committee and the Employers' General Committee meeting together form the Joint General Committee.
- 4. Co-operative Council of the Co-operative Welfare Association.
 - a. Consists of the combined membership of the two General Committees.
 - b. Administers the pension, life insurance and sick benefit system.
- D. Arbitration Board.
 - 1. Composed of one arbitrator chosen by the Employees' General Committee, one arbitrator chosen by the Employers' General Committee, and a third arbitrator selected by these two.
 - a. If the first two arbitrators are unable to agree on a third, then the Provost of the University of Pennsylvania, the Chairman of the Public Service Commission and the President of the Chamber of Commerce or their appointees shall serve with the two original arbitrators.

III. POWERS AND DUTIES.

A. Branch Committees.

- 1. Have jurisdiction over any local difference between employer and employee.
- 2. It is the duty of employee branch committeemen to ascertain and represent the opinions and wishes of their fellow employees of any and all subjects of mutual interest.
- 3. The Employees' Branch Committee reports back to the employees any action taken.
- 4. Majority vote of the Employees' Branch Committee and the Employers' Branch Committee concurring constitutes a decision.

B. Department Committees.

- 1. Any grievance which is not settled by the Branch Committee is taken up by the proper Department Committee.
- 2. Majority vote of the Employees' Department Committee and the Employers' Department Committee concurring constitutes a decision.

C. General Committees.

1. Any grievance which is not settled by the Department Committee is taken up with the General Committee.
 2. Majority vote of the Employees' General Committee and the Employers' General Committee concurring constitutes a decision.
 3. It is the duty of the General Committees to assist in every way to promote the interests of the employees and better the service.
 - a. Formulate plans for submission to the several Department Committees.
 4. Have power to review and modify or reverse any findings or decisions of the Department Committee.
 5. May change any portion of this plan.
 6. Decisions final subject only to submission to arbitration.
- D. The Arbitration Board.
1. Has final jurisdiction.
 2. Concurring opinion of two out of three arbitrators constitutes a decision final and binding on all parties.
 3. If the Board is composed of the five members as provided for in cases of emergency, a concurring decision of three out of the five is binding.

IV. ATTITUDE TOWARD TRADE UNIONISM.

"Employees may belong to any union or other organization without 'let or hindrance.'"

DUTCHESS BLEACHERY

The Dutchess Bleachery plan has been worked out from the point of view maintained by the management that the employers and employees are partners in the conduct of the business. The organization which is simple and has a minimum of machinery shows several unusual features. The Board of Operatives is composed entirely of employees and gives ample opportunity for separate meetings. This Board also has jurisdiction over the initial steps in the settlement of grievances. Power to manage the houses owned by the company is vested in the Board of Operatives and so far as can be ascertained this is the only instance where the employees control the company houses.

The Board of Management which has control of all matters of mill management is composed of three representatives of the management and three representatives of the employees. This

provides for joint deliberation and gives the employees an equal voice in the management of the local mill.

Arbitration is arranged for in the provision that in case a majority of the members of the Board of Management is unable to agree on any matter brought before it a seventh member is to be called in and the decision of the majority of the Board so constituted is final.

The management retains only three of the places on the Board of Directors. One of the five members is an employee and the other member is a representative of the public, selected from the community in which the plant is located. In this way the employees are given a voice in the shaping of the business policies and such matters of management as are not delegated either to the Board of Operatives or the Board of Management.

The plan in operation at the Dutchess Bleachery follows:

Location of plant—Wappingers Falls, New York.

Character of plant—Bleachery. (Textile.)

Number of employees—Approximately 600.

I. HISTORY.

A. Board of Operatives created in August, 1918.

1. As first constituted had only advisory power over mill management, wages, working conditions, etc.

B. Board of Management created July, 1919.

2. Scope of work broadened rapidly.

II. ORGANIZATION.

A. Board of Operatives.

1. Composed of eleven members elected by secret ballot by and from the operatives in the eleven different departments.
2. Term of office—one year.
3. All employees entitled to vote who have been in the employ of the company for at least one month prior to the election.
4. Any employee eligible for election who has been in the employ of the company for one year and who is:
 - a. Twenty-one years of age or over.
 - b. An American citizen, or who has taken out first papers.
5. Officers: president, vice-president and executive secretary.
 - a. President and vice-president elected annually by ballot at special meeting of the Board.
 - b. Executive secretary appointed by the Board of Management and confirmed by the Board of Operatives.

- (1) Gives full time to the work and receives salary from the company.
 - (2) Serves in executive capacity for the Board of Operatives.
 - (3) Has no vote on the Board.
 - (4) Is an "ex-officio" member of all Standing and Special Committees.
6. Meets the first Friday of each month.
- B. Board of Management.
1. Composed of six members.
 - a. Three elected by the Board of Operatives from their own number.
 - b. Three representatives of the management—the treasurer, the New York agent, and the local manager.
 2. Term of office—one year.
 3. Meets monthly and upon the call of any two of its members.
- C. Board of Directors.
1. Composed of five members elected annually by the stockholders.
 - a. Three selected from the management.
 - b. One from the employees, nominated by the Board of Operatives.
 - c. One from the community.

III. POWERS AND DUTIES.

- A. Board of Operatives.
1. Adjustment of grievances.
 - a. May carry any grievance for an employee, a group of employees, or an ex-employee, to the local management.
 - b. If they are unable to come to an agreement satisfactory to both the management and employee, the matter may be referred to the Board of Management.
 2. Appoints the following committees:
 - a. Working conditions.
 - b. Housing.
 - c. Recreation and education.
 3. Has full power to manage the houses owned by the Company.
 - a. Through its Housing Committee it sets the rents, decides upon repairs, receives and adjusts complaints of tenants.
 - b. Arranges for sale of company houses to employees on terms worked out by the Board of Operatives and the Board of Management.
 4. Has authority to initiate, project and manage any educational or recreational work which seems to be beneficial and desirable

among the employees or in the community, which does not conflict with the powers of the Board of Management.

B. Board of Management.

1. Authorized to adjust and settle such matters of mill management as may arise.
2. Any matter may be appealed to this Board after going through the preliminary channels indicated above.
3. In case a majority of the Board fails to agree upon any matter brought before it for determination the Board shall appoint a seventh member and the decision of the majority of the Board so constituted shall be final.

C. Board of Directors.

1. Has final control of the company and its business policies, except as delegated to the Board of Operatives and the Board of Management.

IV. ATTITUDE TOWARD TRADE UNIONISM.

"The Board of Directors authorizes the statement that our Partnership Plan is in no-way opposed to Organized Labor."

HART, SCHAFFNER AND MARX

This plan differs entirely from any previously considered in this study in that its structure is based on union organization. All the employees' representatives are union members, elected by the union employees. However, since the factory is run on a preferential shop basis there are very few non-union employees.

There is no provision made for meetings of the Shop Chairmen or Deputies and since in practice the chairman of the Trade Board sits alone for that body, the only provision for joint meetings of employee and management representatives is on the Arbitration Board. This could scarcely be said to provide for joint deliberation as the Board sits as a court and its function is to decide on specific cases submitted to it.

The plan is of interest also because of the spirit displayed in the preamble to the agreement of 1916:

"On the part of the employer it is the intention and expectation that this compact of peace will result in the establishment and maintenance of a high order of discipline and efficiency by the willing cooperation of union and workers rather than by the

old method of surveillance and coercion; that by the exercise of this discipline all stoppages and interruptions of work, and all wilful violations of rules will cease; that good standards of workmanship and conduct will be maintained and a proper quantity, quality and cost of production will be assured; and that out of its operation will issue such cooperation and good will between employers, foremen, union and workers as will prevent misunderstanding and friction and make for good team work, good business, mutual advantage and mutual respect.

"On the part of the union it is the intention and expectation that this compact will, with the cooperation of the employer, operate in such a way as to maintain, strengthen, and solidify its organization, so that it may be made strong enough, and efficient enough, to cooperate as contemplated in the preceding paragraph; and also that it may be strong enough to command the respect of the employer without being forced to resort to militant or unfriendly measures.

"On the part of the workers it is the intention and expectation that they pass from the status of wage servants, with no claim on the employer save his economic need, to that of self-respecting parties to an agreement which they have had an equal part with him in making, that this status gives them an assurance of fair and just treatment and protects them against injustice or oppression of those who may have been placed in authority over them; that they will have recourse to a court, in the creation of which their votes were equally potent with that of the employer, in which all their grievances may be heard, and all their claims adjudicated; that all changes during the life of the pact shall be subject to the approval of an impartial tribunal, and that wages and working conditions shall not fall below the level provided for in the agreement."*

This plan is one of the few in this country to indicate the possibilities of shop organization within the plant together with union organization.

The plan in operation at Hart, Schaffner and Marx follows:

* "The Hart, Schaffner and Marx Labor Agreement" by Earl Dean Howard, Chicago, 1920, p. 9-10.

Location of plant—Chicago, Illinois.

Character of business—Manufacture of men's clothing.

Number of employees—Approximately 7,000.

I. HISTORY.

- A. First agreement between the company and the union went into effect in January, 1911.
 - 1. Consummated after a strike of four months' duration.
 - 2. This original agreement created the Arbitration Board.
- B. The Labor Department was created February 1, 1911.
- C. A supplementary agreement signed April 1, 1912, established the Trade Board and rules of procedure.
- D. The second agreement was signed May, 1913, and was binding until April 30, 1916.
- E. The third agreement was entered into May 1, 1916, and consisted principally in a codification of previous agreements and decisions of the Board. This agreement was binding until April 30, 1919.
- F. With a few minor changes this agreement was extended to be binding until April 30, 1922.

II. ORGANIZATION.

- A. Shop representatives, or chairmen.
 - 1. One representative from each shop is elected by secret ballot by the union members of that shop.
 - a. The elections take place in union headquarters.
 - 2. Term of office—indefinite.
 - 3. All employees who are members of the union are entitled to vote.
 - 4. Any employee who is entitled to vote is eligible for election.
- B. Deputies.
 - 1. Four or more deputies are appointed by the union.
 - a. Representing each branch of the trade, i. e., cutters, coat makers, trouser makers, vest makers.
 - b. They devote all their time to union duties and are paid by the union.
 - 2. The company may appoint deputies in such number as are necessary to carry out their duties. (At present they have two.)
- C. Labor Department.
 - 1. Established by the company and administered by a university professor.
- D. Trade Board.
 - 1. Originally composed of eleven members.

- a. Five chosen by the union, selected so that the four departments, cutters, coats, vests and trousers, are all represented.
 - b. Five chosen by the company.
 - c. A chairman, neutral, appointed by the Arbitration Board.
 - 2. For several years the activities of the Trade Board have been carried on by the Chairman alone, without the other ten members as originally provided.
 - 3. The chairman holds office during the term of the agreement.
 - 4. Meetings held daily unless waived by the chairmen.
 - 5. The Rate Committee handles the piece-rate making functions of the Trade Board.
 - a. Composed of three members.
 - (1) One selected by the employees.
 - (2) One selected by the company.
 - (3) The chairman of the Trade Board.
- E. Arbitration Board.
- 1. Composed of three members.
 - a. One selected by the employees.
 - b. One selected by the company.
 - c. A third selected by these two.
 - 2. Meets on call.
 - a. When a written appeal is made to the Board the Chairman determines the time and place of meeting and notifies interested parties.

III. POWERS AND DUTIES.

A. Shop representatives.

- 1. Have charge of complaints and organization matters within the shop.
 - a. When a grievance arises on the floor of the shop it is reported to the shop representative who investigates it and takes it up with the shop superintendent.
 - (1) They endeavor to reach a settlement.
 - (2) If no satisfactory settlement is reached the shop representative reports the matter to his deputy.
 - b. Adjustments made in this way are not binding on their principals unless ratified by the chief deputies but are subject to revision by the Trade Board.
- 2. May collect union dues and perform such other union duties as are necessary, provided they are carried out in such a way as not to interfere with shop discipline and efficiency.
- 3. Are expected to promote amity and the cooperative spirit of the agreement.
- 4. May leave their places to investigate complaints, provided

they explain to the foreman the purpose of their movements, if he asks.

B. Deputies.

1. Have power to investigate, mediate and adjust complaints.
2. Have access to any shop or factory for the purpose of making investigations of complaints, but in each instance must be accompanied by the representative of the employer.
 - a. The latter may at his option waive his right to accompany the deputy.
3. The statement of the chief deputy is regarded as an authoritative presentation of the position of his principal in any matter.
 - a. Unless reversed or modified by either of the trial boards the agreement of the chief deputies in all matters over which they or their principals have authority must be observed by all parties.
4. In the event of a failure to agree on an adjustment the deputies certify the case for trial to the Trade Board.
 - a. In certifying such disagreement the deputy appealing to the Board must file a statement giving specifically the nature of the complaint.
 - b. A copy of this statement is furnished to the representative of the dissenting party who is given at least 24 hours to prepare his answer, unless otherwise agreed.
 - (1) In emergencies a case may be brought to trial immediately.
5. In the event of an appeal to the Trade Board or Board of Arbitration the deputies may represent their respective principals before the Board.
6. Have power to summon and examine witnesses, to present testimony or evidence, and to do such other things as may be necessary to place their case properly before the trial body.

C. Labor Department.

1. Discovers and investigates abuses or complaints and recommends measures for elimination of their sources.
2. Protects the company's interests in the Board of Arbitration and the Trade Board.
3. Negotiates with business agents of the union.
4. Administers all discipline for all the factories.
5. Has oversight over all hiring.
6. Is responsible for the observance of state and municipal laws regarding child labor, health and safety.
7. Is responsible for observance of agreements with the union or decisions of the Boards.

8. Maintains hospitals and rest rooms, administers the charity fund, loan fund, workmen's compensation.
9. Carries on education of foremen in courtesy, patience, mutual helpfulness and other peace-producing qualities.
10. Suggests devices for amelioration of hardships incidental to the industry and for higher efficiency of operation.

D. Trade Board.

1. Is the primary board for adjusting grievances and sits as a court of original hearing in all grievances arising between the company and the employees.
2. Complaints may be brought before it on appeal after action by the shop representatives and deputies or direct by either party without intervention of the shop representatives, or deputies.
 - a. In the event of direct appeal a statement of the facts and grounds for such complaints must be filed in writing.
3. All decisions of the Trade Board must be rendered in writing and copies given to the representatives of each party.
4. The Trade Board and the Arbitration Board are authorized to hear complaints from the union concerning the discipline of its members and to take any action necessary to conserve the interests of the agreement.
5. In case either party should desire to appeal from any decision of the Trade Board, or from any change of rules by the Trade Board, to the Arbitration Board they have the right to do so upon filing a notice in writing with the Trade Board within 30 days from the date of the decision.
 - a. The Trade Board shall then certify the matter to the Board of Arbitration.
6. Rate Committee.
 - a. Responsibility for making piece work rates is lodged in the Trade Board but for expediency this work has been turned over to the Committee.
 - b. In fixing rates the Committee follows the rule that changed piece rates must correspond to the changed work and new rates must be based on old prices when possible.
 - c. New rates established by the Committee are provisional and temporary and are subject to review after a sufficient period of trial.
 - d. If the rate fixed is unsatisfactory the decision may be appealed to the Board of Arbitration.
 - e. After the specifications and rates have been finally authorized by the Committee there can be no alteration of the

terms either by the company or by the employee, without permission from the Rate Committee.

E. Board of Arbitration.

1. The Board has full and final jurisdiction over all matters related to the agreement.
2. It is the duty of the Board to investigate and mediate or adjudicate all matters that are brought before it.
3. The practice developed leaves all questions of fact and testimony mainly to the consideration of the Trade Board, while the Board of Arbitration concerns itself mainly with questions of principle and the application of the agreement to new issues as they arise:
 - a. This is not considered as limiting the powers of the Arbitration Board which are broad enough to make it the judge of facts as well as principle when necessary.
4. A majority decision of the Board is binding on all parties.
5. If there is a general change in wages or hours in the clothing industry, which is sufficiently permanent to warrant the belief that the change is not merely temporary, then the Board has power to determine whether such change is of so extraordinary a nature as to justify a consideration of the question of making a change in the existing agreement, and, if so, the Board has power to make such changes in wages or hours as in its judgment are proper.

IV. ATTITUDE TOWARD TRADE UNIONISM.

- A. The company recognizes the union and deals directly with it.
- B. According to the agreement between the company and the union, the company gives preference to union men in both hiring and discharging.

BETHLEHEM SHIPBUILDING CORPORATION

This plan is combined with union organization in a distinctly different way from that worked out in the Hart, Schaffner and Marx establishment. There are really two structures—the Craft and Plant Committee organization and the Joint Committee on which the plant and craft groups have no representation.

The organization is based on craft lines and is a clear example of this type of formation. Union and non-union employees vote for members of the Craft Committees and the persons elected may or may not be union members. These Committees provide for separate meetings of the employees by crafts and

separate meetings of the employees' representatives of an entire plant are made possible through the Plant Committees.

Joint deliberations are only provided between the representatives of the union, on behalf of the employees, and of the management through the Joint Committee.

No machinery for arbitration is set up.

Both the Hart, Schaffner and Marx and the Bethlehem Shipbuilding plans, as developed in connection with trade union organization are of interest considered in the light of a statement contained in the report of the Bureau of Industrial Research: "Clearly, there is no necessary antipathy between collective bargaining with trade unions and the intimate contacts between management and men which the development of company shop committees is intended to establish. On the contrary, the two should supplement one another as time goes on."*

The plan in operation at the Bethlehem Shipbuilding Corporation follows:

Location of plants—Quincy, Mass.; Wilmington, Del.; Elizabeth, N. J.; Sparrows Point, Md.; San Francisco, Cal. (not included in the agreement).

Character of business—Shipbuilding.

Number of employees—Approximately 30,000.

I. HISTORY.

- A. During the war the Bethlehem Shipbuilding Corporation had a shop committee plan established under an award of the Shipbuilding Labor Adjustment Board.
 - 1. This award did not recognize the unions.
 - 2. The terms of the award provided for its expiration soon after the signing of the armistice.
- B. At the expiration of the award the company decided to enter into an agreement with the unions.
 - 1. The agreement was consummated between the company and the Metal Trades Department of the American Federation of Labor on January 7, 1919.
 - a. This agreement recognizes the unions, but provides for an open shop.

* American Company Shop Committee Plans, Bureau of Industrial Research, New York, 1919, p. iii.

- b. It replaced the old shop committee plan with a combination of union organization and shop committee machinery.

II. ORGANIZATION.

A. Craft Committees.

1. Each craft in the plant elects by secret ballot three craft representatives.
2. Term of office—six months.
3. All employees (union and non-union) who have been employed for more than two weeks are entitled to vote.
4. Any employee (union or non-union) who has been employed for more than two weeks is eligible for election.
5. Meetings held whenever necessary.

B. Plant Committees.

1. Composed of one member from each craft committee in the plant.
2. Meetings held whenever necessary.

C. Management Representative.

1. Management Representative, appointed by the corporation, for each plant.

D. Joint Committee.

1. Composed of
 - a. The International Committee,
 - (1) Composed of the International Presidents of each of the five most important craft unions.
 - (2) Selects a chairman from its own membership.
 - (3) Appoints a secretary who has an office in a central location with the secretary of the Company Committee.
 - (4) Meetings held whenever necessary.
 - b. The Company Committee.
 - (1) Composed of five representatives appointed by the Company.
 - (2) Selects a chairman from its own membership.
 - (3) Appoints a secretary who has an office in a central location with the secretary of the International Committee.
2. Joint meetings held at least every six months—more often on call of chairmen.

III. POWERS AND DUTIES.

A. Craft Committees.

1. In each plant there are as many craft committees as there are crafts.

2. Any craft question or individual grievance is first taken up by the craft committee with the foreman.
3. If satisfactory adjustment is not made, the craft committee takes the matter up with the Management Representative.
4. If a craft question is not agreed upon between the craft committee and the Management Representative, a special representative is delegated by the President of the International Union, who in conjunction with the craft committee, takes the matter up with representatives of the company.
5. Do not meet with the management in formal conference.

B. Plant Committee.

1. Any plant question is taken up by the Plant Committee with the Management Representative.
2. If no agreement is reached it is submitted by the Committee and by the Management Representative in writing to the Secretaries of the International Committee and of the Company Committee for adjustment.
3. If no satisfactory adjustment can be made by the Secretaries, the matter is referred to the Joint Committee.
4. Does not meet with the management in formal conference.

C. Management Representative.

1. His work in capacity of representative is distinct from that of the Service Department but in some plants the management representative is also in charge of the Service Department.
2. Charged with plant discipline and all matters affecting the relation between the company and the workers.

D. Joint Committee.

1. Jointly hears and considers all grievances and other questions affecting hours of labor, general wage scales, working conditions and all cases of appeal.
2. Any officer representing any union has a right to be present at a hearing which involves the interests of his organization or to confer with the Joint Committee on any question which in his judgment requires consideration or adjustment.
3. The Secretaries of the two committees :
 - a. Are charged with the duty of keeping correct joint records of all general questions, cases of appeal and decisions rendered by the Joint Committee.
 - b. It is also their duty to collect data in connection with any matter to be submitted to the Joint Committee.

IV. ATTITUDE TOWARD TRADE UNIONISM.

The plants are run on an open shop basis but the unions are recognized as provided for in the plan. A statement from an

official of the Corporation explains that the "Agreement with the Metal Trades Association of the American Federation of Labor recognizes the Union to the extent of dealing with the International Heads of the Union, if the Management and Committees of Employees fail to agree. This agreement in no way, however, requires an employee to hold membership in the Union. It is strictly an Open Shop agreement." (From letter from official of the Corporation, May 16, 1921.)

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